



General Assembly

January Session, 2013

Governor's Bill No. 843

LCO No. 3048



Referred to Committee on FINANCE, REVENUE AND
BONDING

Introduced by:

SEN. WILLIAMS, 29th Dist.

SEN. LOONEY, 11th Dist.

REP. SHARKEY, 88th Dist.

REP. ARESIMOWICZ, 30th Dist.

**AN ACT CONCERNING REVENUE ITEMS TO IMPLEMENT THE
GOVERNOR'S BUDGET.**

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

- 1 Section 1. (NEW) (*Effective July 1, 2013*) (a) As used in this section:
- 2 (1) "Person" means person, as defined in section 12-1 of the general
3 statutes;
- 4 (2) "Affected taxable period" means any taxable period ending on or
5 before November 30, 2013;
- 6 (3) "Affected person" means a person owing any tax for an affected
7 taxable period;
- 8 (4) "Tax" means any tax imposed by any law of this state and
9 required to be collected by the department, other than the tax imposed

10 under chapter 222 of the general statutes on any licensee, as defined in
11 subdivision (1) of subsection (c) of section 12-486 of the general
12 statutes;

13 (5) "Commissioner" means the Commissioner of Revenue Services;
14 and

15 (6) "Department" means the Department of Revenue Services.

16 (b) (1) The commissioner shall establish a tax amnesty program for
17 persons owing any tax for any affected taxable period. The tax
18 amnesty program shall be conducted during the period September 16,
19 2013, to November 15, 2013, inclusive.

20 (2) An amnesty application shall be prepared by the commissioner
21 that shall provide for specification by the affected person of the tax and
22 the affected taxable period for which amnesty is being sought under
23 the tax amnesty program. The commissioner, at his or her discretion,
24 may require that such amnesty applications be filed electronically.

25 (3) The tax amnesty program shall provide that, upon the filing of
26 an amnesty application by an affected person and payment by such
27 person of the tax and interest due from such person for an affected
28 taxable period, the commissioner shall not seek to collect any civil
29 penalties that may be applicable and shall not seek criminal
30 prosecution for any affected person for an affected taxable period for
31 which amnesty has been granted. Amnesty shall be granted only to
32 those affected persons who have applied for amnesty during the tax
33 amnesty period and who have paid the tax and interest determined by
34 the commissioner to be due upon filing the amnesty application.

35 (4) An amnesty application, if filed by an affected person and if
36 granted by the commissioner, shall constitute an express and absolute
37 relinquishment by the affected person of all of the affected person's
38 administrative and judicial rights of appeal that have not run or
39 otherwise expired as of the date payment is made for an affected

40 taxable period, and no payment made by an affected person pursuant
41 to this section for an affected taxable period shall be refunded or
42 credited to such person. The commissioner shall not consider any
43 request to exercise the authority granted to the commissioner under
44 section 12-39s of the general statutes in connection with any amnesty
45 application granted by the commissioner.

46 (5) If an affected person who has filed an amnesty application
47 during the tax amnesty program fails to pay all amounts due to this
48 state for an affected taxable period, any amnesty granted pursuant to
49 this section shall be invalid.

50 (6) No waiver of penalty or reduction of interest granted pursuant
51 to this section shall entitle any affected person to a refund or credit of
52 any amount previously paid.

53 (7) In the case of tax due for an affected taxable period, interest shall
54 be computed at the rate of one per cent per month or fraction thereof
55 from the date such tax was originally due to the date of payment,
56 except, if the tax and interest are paid in full on or before November
57 15, 2013, the interest shall be equal to one-fourth of the interest that the
58 department's records show to be due and payable as of the date of
59 filing of the amnesty application for an affected taxable period.

60 (c) Amnesty shall not be granted pursuant to subsection (b) of this
61 section to any affected person who (1) is a party to any criminal
62 investigation or to any civil or criminal litigation that is pending on
63 July 1, 2013, in any court of the United States or this state, (2) is a party
64 to a closing agreement with the commissioner, (3) has made an offer of
65 compromise that has been accepted by the commissioner, or (4) is a
66 party to a managed audit agreement.

67 (d) Any person owing any tax for an affected taxable period for
68 which a tax return was required by law to be filed with the
69 commissioner and for which no return has been previously filed by
70 such person, and such person fails to file a timely amnesty application

71 under this section with respect to such affected taxable period shall be
72 subject to a penalty equal to twenty-five per cent of the tax owed for
73 such affected taxable period. The amount of such penalty shall not be
74 subject to waiver.

75 (e) Notwithstanding any provision of law, the commissioner may
76 do all things necessary to provide for the timely implementation of this
77 section.

78 Sec. 2. Subsection (c) of section 4-28e of the general statutes is
79 repealed and the following is substituted in lieu thereof (*Effective from*
80 *passage*):

81 (c) (1) For the fiscal year ending June 30, 2001, disbursements from
82 the Tobacco Settlement Fund shall be made as follows: (A) To the
83 General Fund in the amount identified as "Transfer from Tobacco
84 Settlement Fund" in the General Fund revenue schedule adopted by
85 the General Assembly; (B) to the Department of Mental Health and
86 Addiction Services for a grant to the regional action councils in the
87 amount of five hundred thousand dollars; and (C) to the Tobacco and
88 Health Trust Fund in an amount equal to nineteen million five
89 hundred thousand dollars.

90 (2) For the fiscal year ending June 30, 2002, and each fiscal year
91 thereafter, disbursements from the Tobacco Settlement Fund shall be
92 made as follows: (A) To the Tobacco and Health Trust Fund in an
93 amount equal to twelve million dollars; (B) [to the Biomedical Research
94 Trust Fund in an amount equal to four million dollars; (C)] to the
95 General Fund in the amount identified as "Transfer from Tobacco
96 Settlement Fund" in the General Fund revenue schedule adopted by
97 the General Assembly; and [(D)] (C) any remainder to the Tobacco and
98 Health Trust Fund.

99 (3) For each of the fiscal years ending June 30, 2008, to June 30,
100 [2015] 2012, inclusive, the sum of ten million dollars shall be disbursed
101 from the Tobacco Settlement Fund to the Stem Cell Research Fund

102 established by section 19a-32e for grants-in-aid to eligible institutions
103 for the purpose of conducting embryonic or human adult stem cell
104 research.

105 Sec. 3. Section 12-19a of the general statutes is repealed and the
106 following is substituted in lieu thereof (*Effective July 1, 2013*):

107 [(a) On or before January first, annually, the Secretary of the Office
108 of Policy and Management shall determine the amount due, as a state
109 grant in lieu of taxes, to each town in this state wherein state-owned
110 real property, reservation land held in trust by the state for an Indian
111 tribe or a municipally owned airport, except that which was acquired
112 and used for highways and bridges, but not excepting property
113 acquired and used for highway administration or maintenance
114 purposes, is located. The grant payable to any town under the
115 provisions of this section in the state fiscal year commencing July 1,
116 1999, and each fiscal year thereafter, shall be equal to the total of (1) (A)
117 one hundred per cent of the property taxes which would have been
118 paid with respect to any facility designated by the Commissioner of
119 Correction, on or before August first of each year, to be a correctional
120 facility administered under the auspices of the Department of
121 Correction or a juvenile detention center under direction of the
122 Department of Children and Families that was used for incarcerative
123 purposes during the preceding fiscal year. If a list containing the name
124 and location of such designated facilities and information concerning
125 their use for purposes of incarceration during the preceding fiscal year
126 is not available from the Secretary of the State on the first day of
127 August of any year, said commissioner shall, on said first day of
128 August, certify to the Secretary of the Office of Policy and
129 Management a list containing such information, (B) one hundred per
130 cent of the property taxes which would have been paid with respect to
131 that portion of the John Dempsey Hospital located at The University of
132 Connecticut Health Center in Farmington that is used as a permanent
133 medical ward for prisoners under the custody of the Department of
134 Correction. Nothing in this section shall be construed as designating

135 any portion of The University of Connecticut Health Center John
136 Dempsey Hospital as a correctional facility, and (C) in the state fiscal
137 year commencing July 1, 2001, and each fiscal year thereafter, one
138 hundred per cent of the property taxes which would have been paid
139 on any land designated within the 1983 Settlement boundary and
140 taken into trust by the federal government for the Mashantucket
141 Pequot Tribal Nation on or after June 8, 1999, (2) subject to the
142 provisions of subsection (c) of this section, sixty-five per cent of the
143 property taxes which would have been paid with respect to the
144 buildings and grounds comprising Connecticut Valley Hospital in
145 Middletown. Such grant shall commence with the fiscal year beginning
146 July 1, 2000, and continuing each year thereafter, (3) notwithstanding
147 the provisions of subsections (b) and (c) of this section, with respect to
148 any town in which more than fifty per cent of the property is state-
149 owned real property, one hundred per cent of the property taxes
150 which would have been paid with respect to such state-owned
151 property. Such grant shall commence with the fiscal year beginning
152 July 1, 1997, and continuing each year thereafter, (4) subject to the
153 provisions of subsection (c) of this section, forty-five per cent of the
154 property taxes which would have been paid with respect to all other
155 state-owned real property, (5) forty-five per cent of the property taxes
156 which would have been paid with respect to all municipally owned
157 airports; except for the exemption applicable to such property, on the
158 assessment list in such town for the assessment date two years prior to
159 the commencement of the state fiscal year in which such grant is
160 payable. The grant provided pursuant to this section for any
161 municipally owned airport shall be paid to any municipality in which
162 the airport is located, except that the grant applicable to Sikorsky
163 Airport shall be paid half to the town of Stratford and half to the city of
164 Bridgeport, and (6) forty-five per cent of the property taxes which
165 would have been paid with respect to any land designated within the
166 1983 Settlement boundary and taken into trust by the federal
167 government for the Mashantucket Pequot Tribal Nation prior to June
168 8, 1999, or taken into trust by the federal government for the Mohegan

169 Tribe of Indians of Connecticut, provided (A) the real property subject
170 to this subdivision shall be the land only, and shall not include the
171 assessed value of any structures, buildings or other improvements on
172 such land, and (B) said forty-five per cent grant shall be phased in as
173 follows: (i) In the fiscal year commencing July 1, 2012, an amount equal
174 to ten per cent of said forty-five per cent grant, (ii) in the fiscal year
175 commencing July 1, 2013, thirty-five per cent of said forty-five per cent
176 grant, (iii) in the fiscal year commencing July 1, 2014, sixty per cent of
177 said forty-five per cent grant, (iv) in the fiscal year commencing July 1,
178 2015, eighty-five per cent of said forty-five per cent grant, and (v) in
179 the fiscal year commencing July 1, 2016, one hundred per cent of said
180 forty-five per cent grant.

181 (b) For the fiscal year ending June 30, 2000, and in each fiscal year
182 thereafter, the amount of the grant payable to each municipality in
183 accordance with this section shall be reduced proportionately in the
184 event that the total of such grants in such year exceeds the amount
185 appropriated for the purposes of this section with respect to such year
186 except that, for the fiscal years commencing July 1, 2012, July 1, 2013,
187 July 1, 2014, and July 1, 2015, the amount of the grant payable in
188 accordance with subdivision (6) of subsection (a) of this section shall
189 not be reduced.

190 (c) As used in this section "total tax levied" means the total real
191 property tax levy in such town for the fiscal year preceding the fiscal
192 year in which a grant in lieu of taxes under this section is made,
193 reduced by the Secretary of the Office of Policy and Management in an
194 amount equal to all reimbursements certified as payable to such town
195 by the secretary for real property exemptions and credits on the
196 taxable grand list or rate bill of such town for the assessment year that
197 corresponds to that for which the assessed valuation of the state-
198 owned land and buildings has been provided. For purposes of this
199 section and section 12-19b, any real property which is owned by the
200 John Dempsey Hospital Finance Corporation established pursuant to
201 the provisions of sections 10a-250 to 10a-263, inclusive, or by one or

202 more subsidiary corporations established pursuant to subdivision (13)
203 of section 10a-254 and which is free from taxation pursuant to the
204 provisions of subdivision (13) of section 10a-259 shall be deemed to be
205 state-owned real property. As used in this section and section 12-19b,
206 "town" includes borough.

207 (d) In the fiscal year ending June 30, 1991, and in each fiscal year
208 thereafter, the portion of the grant payable to any town as determined
209 in accordance with subdivisions (2) and (4) of subsection (a) of this
210 section, shall not be greater than the following percentage of total tax
211 levied by such town on real property in the preceding calendar year as
212 follows: (1) In the fiscal year ending June 30, 1991, ten per cent, (2) in
213 the fiscal year ending June 30, 1992, twelve per cent, (3) in the fiscal
214 year ending June 30, 1993, fourteen per cent, (4) in the fiscal year
215 ending June 30, 1994, twenty-seven per cent, (5) in the fiscal year
216 ending June 30, 1995, thirty-five per cent, (6) in the fiscal year ending
217 June 30, 1996, forty-two per cent, (7) in the fiscal year ending June 30,
218 1997, forty-nine per cent, (8) in the fiscal year ending June 30, 1998,
219 fifty-six per cent, (9) in the fiscal year ending June 30, 1999, sixty-three
220 per cent, (10) in the fiscal year ending June 30, 2000, seventy per cent,
221 (11) in the fiscal year ending June 30, 2001, seventy-seven per cent, (12)
222 in the fiscal year ending June 30, 2002, eighty-four per cent, (13) in the
223 fiscal year ending June 30, 2003, ninety-two per cent, and (14) in the
224 fiscal year ending June 30, 2004, and in each fiscal year thereafter, one
225 hundred per cent.]

226 [(e)] In the fiscal year commencing July 1, [1999] 2013, and in each
227 fiscal year thereafter, the [Commissioner of Transportation] Executive
228 Director of the Connecticut Airport Authority shall pay from the
229 Bradley International Airport Enterprise Fund to the [State
230 Comptroller] towns of East Granby, Suffield, Windsor and Windsor
231 Locks, on or before September fifteenth, [the portion of the state grant
232 in lieu of taxes payable under the provisions of this section] at the rate
233 of twenty per cent of the property taxes which would have been paid
234 to [the towns of East Granby, Suffield, Windsor and Windsor Locks]

235 said towns for real property located at Bradley International Airport.
236 [Such payment shall be credited to the appropriation from the General
237 Fund for reimbursements to towns for loss of taxes on state property.]

238 [(f) Notwithstanding the provisions of this section in effect prior to
239 January 1, 1997, any grant in lieu of taxes on state-owned real property
240 made to any town in excess of seven and one-half per cent of the total
241 tax levied on real property by such town is validated.]

242 Sec. 4. Subsection (a) of section 12-211a of the general statutes is
243 repealed and the following is substituted in lieu thereof (*Effective from*
244 *passage and applicable to calendar years commencing on or after January 1,*
245 *2013*):

246 (a) (1) Notwithstanding any provision of the general statutes, and
247 except as otherwise provided in subdivision (4) of this subsection or in
248 subsection (b) of this section, the amount of tax credit or credits
249 otherwise allowable against the tax imposed under this chapter for any
250 calendar year shall not exceed seventy per cent of the amount of tax
251 due from such taxpayer under this chapter with respect to such
252 calendar year of the taxpayer prior to the application of such credit or
253 credits.

254 (2) For the calendar year [ending December 31, 2011] commencing
255 January 1, 2011, "type one tax credits" means tax credits allowable
256 under section 12-217jj, 12-217kk or 12-217ll; "type two tax credits"
257 means tax credits allowable under section 38a-88a; "type three tax
258 credits" means tax credits that are not type one tax credits or type two
259 tax credits; "thirty per cent threshold" means thirty per cent of the
260 amount of tax due from a taxpayer under this chapter prior to the
261 application of tax credit; "fifty-five per cent threshold" means fifty-five
262 per cent of the amount of tax due from a taxpayer under this chapter
263 prior to the application of tax credits; and "seventy per cent threshold"
264 means seventy per cent of the amount of tax due from a taxpayer
265 under this chapter prior to the application of tax credits.

266 (3) For the calendar [year ending December 31, 2012] years
267 commencing January 1, 2012, January 1, 2013, and January 1, 2014,
268 "type one tax credits" means the tax credit allowable under section 12-
269 217ll; "type two tax credits" means tax credits allowable under section
270 38a-88a; "type three tax credits" means tax credits that are not type one
271 tax credits or type two tax credits; "thirty per cent threshold" means
272 thirty per cent of the amount of tax due from a taxpayer under this
273 chapter prior to the application of tax credit; "fifty-five per cent
274 threshold" means fifty-five per cent of the amount of tax due from a
275 taxpayer under this chapter prior to the application of tax credits; and
276 "seventy per cent threshold" means seventy per cent of the amount of
277 tax due from a taxpayer under this chapter prior to the application of
278 tax credits.

279 (4) For calendar years commencing on or after January 1, 2011, and
280 prior to January 1, [2013] 2015, and subject to the provisions of
281 subdivisions (2) and (3) of this subsection, the amount of tax credit or
282 credits otherwise allowable against the tax imposed under this chapter
283 shall not exceed:

284 (A) If the tax credit or credits being claimed by a taxpayer are type
285 three tax credits only, thirty per cent of the amount of tax due from
286 such taxpayer under this chapter with respect to said calendar years of
287 the taxpayer prior to the application of such credit or credits.

288 (B) If the tax credit or credits being claimed by a taxpayer are type
289 one tax credits and type three tax credits, but not type two tax credits,
290 fifty-five per cent of the amount of tax due from such taxpayer under
291 this chapter with respect to said calendar years of the taxpayer prior to
292 the application of such credit or credits, provided (i) type three tax
293 credits shall be claimed before type one tax credits are claimed, (ii) the
294 type three tax credits being claimed may not exceed the thirty per cent
295 threshold, and (iii) the sum of the type one tax credits and the type
296 three tax credits being claimed may not exceed the fifty-five per cent
297 threshold.

298 (C) If the tax credit or credits being claimed by a taxpayer are type
299 two tax credits and type three tax credits, but not type one tax credits,
300 seventy per cent of the amount of tax due from such taxpayer under
301 this chapter with respect to said calendar years of the taxpayer prior to
302 the application of such credit or credits, provided (i) type three tax
303 credits shall be claimed before type two tax credits are claimed, (ii) the
304 type three tax credits being claimed may not exceed the thirty per cent
305 threshold, and (iii) the sum of the type two tax credits and the type
306 three tax credits being claimed may not exceed the seventy per cent
307 threshold.

308 (D) If the tax credit or credits being claimed by a taxpayer are type
309 one tax credits, type two tax credits and type three tax credits, seventy
310 per cent of the amount of tax due from such taxpayer under this
311 chapter with respect to said calendar years of the taxpayer prior to the
312 application of such credits, provided (i) type three tax credits shall be
313 claimed before type one tax credits or type two tax credits are claimed,
314 and the type one tax credits shall be claimed before the type two tax
315 credits are claimed, (ii) the type three tax credits being claimed may
316 not exceed the thirty per cent threshold, (iii) the sum of the type one
317 tax credits and the type three tax credits being claimed may not exceed
318 the fifty-five per cent threshold, and (iv) the sum of the type one tax
319 credits, the type two tax credits and the type three tax credits being
320 claimed may not exceed the seventy per cent threshold.

321 (E) If the tax credit or credits being claimed by a taxpayer are type
322 one tax credits and type two tax credits only, but not type three tax
323 credits, seventy per cent of the amount of tax due from such taxpayer
324 under this chapter with respect to said calendar years of the taxpayer
325 prior to the application of such credits, provided (i) the type one tax
326 credits shall be claimed before type two tax credits are claimed, (ii) the
327 type one tax credits being claimed may not exceed the fifty-five per
328 cent threshold, and (iii) the sum of the type one tax credits and the
329 type two tax credits being claimed may not exceed the seventy per cent
330 threshold.

331 Sec. 5. Subdivision (7) of section 12-214 of the general statutes is
332 repealed and the following is substituted in lieu thereof (*Effective from*
333 *passage*):

334 (7) (A) With respect to income years commencing on or after
335 January 1, 2012, and prior to January 1, [2014] 2016, any company
336 subject to the tax imposed in accordance with subsection (a) of this
337 section shall pay, for each such income year, except when the tax so
338 calculated is equal to two hundred fifty dollars, an additional tax in an
339 amount equal to twenty per cent of the tax calculated under said
340 subsection (a) for such income year, without reduction of the tax so
341 calculated by the amount of any credit against such tax. The additional
342 amount of tax determined under this subsection for any income year
343 shall constitute a part of the tax imposed by the provisions of said
344 subsection (a) and shall become due and be paid, collected and
345 enforced as provided in this chapter.

346 (B) Any company whose gross income for the income year was less
347 than one hundred million dollars shall not be subject to the additional
348 tax imposed under subparagraph (A) of this subdivision. This
349 exception shall not apply to companies filing a combined return for the
350 income year under section 12-223a or a unitary return under
351 subsection (d) of section 12-218d.

352 Sec. 6. Subdivision (7) of subsection (b) of section 12-219 of the
353 general statutes is repealed and the following is substituted in lieu
354 thereof (*Effective from passage*):

355 (7) (A) With respect to income years commencing on or after
356 January 1, 2012, and prior to January 1, [2014] 2016, the additional tax
357 imposed on any company and calculated in accordance with
358 subsection (a) of this section shall, for each such income year, except
359 when the tax so calculated is equal to two hundred fifty dollars, be
360 increased by adding thereto an amount equal to twenty per cent of the
361 additional tax so calculated for such income year, without reduction of

362 the tax so calculated by the amount of any credit against such tax. The
363 increased amount of tax payable by any company under this section,
364 as determined in accordance with this subsection, shall become due
365 and be paid, collected and enforced as provided in this chapter.

366 (B) Any company whose gross income for the income year was less
367 than one hundred million dollars shall not be subject to the additional
368 tax imposed under subparagraph (A) of this subdivision. This
369 exception shall not apply to companies filing a combined return for the
370 income year under section 12-223a or a unitary return under
371 subsection (d) of section 12-218d.

372 Sec. 7. Section 12-268s of the general statutes is repealed and the
373 following is substituted in lieu thereof (*Effective July 1, 2013 and*
374 *applicable to calendar quarters commencing on or after said date*):

375 (a) As used in this section:

376 (1) "Person" has the same meaning as provided in section 12-1;

377 (2) "Electric generation services" has the same meaning as provided
378 in section 16-1;

379 (3) "Electric generation facility" means electric generation facility, as
380 the term is used in section 12-94d;

381 (4) "Regional bulk power grid" means regional bulk power grid, as
382 the term is used in section 16a-7b;

383 (5) "Alternative energy system" has the same meaning as provided
384 in subdivision (21) of subsection (a) of section 12-213;

385 (6) "Fuel cells" has the same meaning as provided in subdivision
386 (113) of section 12-412, as amended by this act;

387 (7) "Commissioner" means the Commissioner of Revenue Services;

388 (8) "Department" means the Department of Revenue Services; and

389 (9) "Person subject to tax" means a person (A) providing electric
390 generation services and uploading electricity generated at such
391 person's electric generation facility in this state to the regional bulk
392 power grid, or (B) selling, delivering or otherwise transferring electric
393 generation services.

394 (b) (1) For each calendar quarter commencing on or after July 1,
395 2011, and prior to July 1, 2013, there is hereby imposed a tax on each
396 person subject to tax, as defined in subparagraph (A) of subdivision (9)
397 of subsection (a) of this section, which tax shall be the product of one-
398 quarter of one cent, multiplied by the net kilowatt hours of electricity
399 generated by such person at such person's electric generation facility in
400 this state and uploaded to the regional bulk power grid.

401 (2) Each person subject to tax, as defined in subparagraph (A) of
402 subdivision (9) of subsection (a) of this section, shall, on or before
403 October 31, 2011, and thereafter on or before the last day of January,
404 April, July and October of each year, [until June 30, 2013,] as
405 prescribed in subdivision (1) of this subsection, render to the
406 commissioner a return, on forms prescribed or furnished by the
407 commissioner, reporting the kilowatt hours of electricity generated by
408 such person at such person's electric generation facility in this state
409 and uploaded to the regional bulk power grid during the calendar
410 quarter ending on the last day of the preceding month and reporting
411 such other information as the commissioner deems necessary for the
412 proper administration of this section. The tax imposed under this
413 section shall be due and payable on the due date of such return. Each
414 person subject to tax shall be required to file such return electronically
415 with the department and to make payment of such tax by electronic
416 funds transfer in the manner provided by chapter 228g, irrespective of
417 whether the person subject to tax would have otherwise been required
418 to file such return electronically or to make such tax payment by
419 electronic funds transfer under the provisions of chapter 228g.

420 (c) (1) For each calendar quarter commencing on or after July 1,

421 2013, and prior to July 1, 2015, there is hereby imposed a tax on each
422 person subject to tax, which tax shall be the product of one-quarter of
423 one cent, multiplied by the net kilowatt hours of electricity generated
424 by such person at such person's electric generation facility in this state
425 that is either uploaded by such person directly to the regional bulk
426 power grid, or sold, delivered or otherwise transferred by such person.

427 (2) Each person subject to tax shall, on or before October 31, 2013,
428 and thereafter on or before the last day of January, April, July and
429 October of each year, as prescribed in subdivision (1) of this
430 subsection, render to the commissioner a return, on forms prescribed
431 or furnished by the commissioner, reporting the kilowatt hours of
432 electricity generated by such person at such person's electric
433 generation facility in this state, exclusive of electricity generated for
434 such person's personal use and consumption, during the calendar
435 quarter ending on the last day of the preceding month, and reporting
436 such other information as the commissioner deems necessary for the
437 proper administration of this section. The tax imposed under this
438 section shall be due and payable on the due date of such return. Each
439 person subject to tax shall be required to file such return electronically
440 with the department and to make payment of such tax by electronic
441 funds transfer in the manner provided by chapter 228g, irrespective of
442 whether the person subject to tax would have otherwise been required
443 to file such return electronically or to make such tax payment by
444 electronic funds transfer under the provisions of chapter 228g.

445 [(c)] (d) Whenever the tax imposed under this section is not paid
446 when due, a penalty of ten per cent of the amount due and unpaid or
447 fifty dollars, whichever is greater, shall be imposed and interest at the
448 rate of one per cent per month or fraction thereof shall accrue on such
449 tax from the due date of such tax until the date of payment.

450 [(d)] (e) The provisions of sections 12-548, 12-550 to 12-554,
451 inclusive, and 12-555a shall apply to the provisions of this section in
452 the same manner and with the same force and effect as if the language

453 of said sections had been incorporated in full into this section and had
454 expressly referred to the tax imposed under this section, except to the
455 extent that any provision is inconsistent with a provision in this
456 section.

457 ~~[(e)]~~ (f) The tax imposed by this section shall not apply to any net
458 kilowatt hours of electricity generated at (1) an electric generation
459 facility in this state exclusively through the use of fuel cells or an
460 alternative energy system, (2) a resources recovery facility, as defined
461 in section 22a-260, or (3) customer-side distributed resources, as
462 defined in subdivision (40) of subsection (a) of section 16-1.

463 ~~[(f)]~~ (g) At the end of the fiscal years ending June 30, 2012, [and]
464 June 30, 2013, June 30, 2014, and June 30, 2015, the Comptroller is
465 authorized to record as revenue for each fiscal year the amount of tax
466 imposed under the provisions of this section on electricity generated
467 prior to the end of each fiscal year and which tax is received by the
468 Commissioner of Revenue Services not later than five business days
469 after the last day of July immediately following the end of each fiscal
470 year.

471 Sec. 8. Subdivision (1) of section 12-408 of the general statutes is
472 repealed and the following is substituted in lieu thereof (*Effective July*
473 *1, 2013*):

474 (1) (A) For the privilege of making any sales, as defined in
475 subdivision (2) of subsection (a) of section 12-407, at retail, in this state
476 for a consideration, a tax is hereby imposed on all retailers at the rate
477 of six and thirty-five-hundredths per cent of the gross receipts of any
478 retailer from the sale of all tangible personal property sold at retail or
479 from the rendering of any services constituting a sale in accordance
480 with subdivision (2) of subsection (a) of section 12-407, except, in lieu
481 of said rate of six and thirty-five-hundredths per cent, the rates
482 provided in subparagraphs (B) to ~~[(F)]~~ (H), inclusive, of this
483 subdivision;

484 (B) At a rate of fifteen per cent with respect to each transfer of
485 occupancy, from the total amount of rent received for such occupancy
486 of any room or rooms in a hotel or lodging house for the first period
487 not exceeding thirty consecutive calendar days;

488 (C) With respect to the sale of a motor vehicle to any individual who
489 is a member of the armed forces of the United States and is on full-time
490 active duty in Connecticut and who is considered, under 50 App USC
491 574, a resident of another state, or to any such individual and the
492 spouse thereof, at a rate of four and one-half per cent of the gross
493 receipts of any retailer from such sales, provided such retailer requires
494 and maintains a declaration by such individual, prescribed as to form
495 by the commissioner and bearing notice to the effect that false
496 statements made in such declaration are punishable, or other evidence,
497 satisfactory to the commissioner, concerning the purchaser's state of
498 residence under 50 App USC 574;

499 (D) (i) With respect to the sales of computer and data processing
500 services occurring on or after July 1, 1997, and prior to July 1, 1998, at
501 the rate of five per cent, on or after July 1, 1998, and prior to July 1,
502 1999, at the rate of four per cent, on or after July 1, 1999, and prior to
503 July 1, 2000, at the rate of three per cent, on or after July 1, 2000, and
504 prior to July 1, 2001, at the rate of two per cent, on or after July 1, 2001,
505 at the rate of one per cent, and (ii) with respect to sales of Internet
506 access services, on and after July 1, 2001, such services shall be exempt
507 from such tax;

508 (E) With respect to the sales of labor that is otherwise taxable under
509 subparagraph (C) or (G) of subdivision (2) of subsection (a) of section
510 12-407 on existing vessels and repair or maintenance services on
511 vessels occurring on and after July 1, 1999, such services shall be
512 exempt from such tax;

513 (F) With respect to patient care services for which payment is
514 received by the hospital on or after July 1, 1999, and prior to July 1,

515 2001, at the rate of five and three-fourths per cent and on and after July
516 1, 2001, such services shall be exempt from such tax;

517 (G) With respect to the rental or leasing of a passenger motor
518 vehicle for a period of thirty consecutive calendar days or less, at a rate
519 of nine and thirty-five-hundredths per cent;

520 (H) With respect to the sale of (i) a motor vehicle for a sales price
521 exceeding fifty thousand dollars, at a rate of seven per cent on the
522 entire sales price, (ii) a vessel for a sales price exceeding one hundred
523 thousand dollars, at a rate of seven per cent on the entire sales price,
524 (iii) jewelry, whether real or imitation, for a sales price exceeding five
525 thousand dollars, at a rate of seven per cent on the entire sales price,
526 and (iv) an article of clothing or footwear intended to be worn on or
527 about the human body, a handbag, luggage, umbrella, wallet or watch
528 for a sales price exceeding one thousand dollars, at a rate of seven per
529 cent on the entire sales price. For purposes of this subparagraph,
530 "motor vehicle" shall have the meaning provided in section 14-1, but
531 shall not include a motor vehicle subject to the provisions of
532 subparagraph (C) of this subdivision, a motor vehicle having a gross
533 vehicle weight rating over twelve thousand five hundred pounds, or a
534 motor vehicle having a gross vehicle weight rating of twelve thousand
535 five hundred pounds or less that is not used for private passenger
536 purposes, but is designed or used to transport merchandise, freight or
537 persons in connection with any business enterprise and issued a
538 commercial registration or more specific type of registration by the
539 Department of Motor Vehicles;

540 (I) The rate of tax imposed by this chapter shall be applicable to all
541 retail sales upon the effective date of such rate, except that a new rate
542 which represents an increase in the rate applicable to the sale shall not
543 apply to any sales transaction wherein a binding sales contract without
544 an escalator clause has been entered into prior to the effective date of
545 the new rate and delivery is made within ninety days after the effective
546 date of the new rate. For the purposes of payment of the tax imposed

547 under this section, any retailer of services taxable under subparagraph
548 (I) of subdivision (2) of subsection (a) of section 12-407, who computes
549 taxable income, for purposes of taxation under the Internal Revenue
550 Code of 1986, or any subsequent corresponding internal revenue code
551 of the United States, as from time to time amended, on an accounting
552 basis which recognizes only cash or other valuable consideration
553 actually received as income and who is liable for such tax only due to
554 the rendering of such services may make payments related to such tax
555 for the period during which such income is received, without penalty
556 or interest, without regard to when such service is rendered; and

557 [(J) For calendar quarters ending on or after September 30, 2011, the
558 commissioner shall deposit into the municipal revenue sharing
559 account, established pursuant to section 4-66l, one and fifty-seven-
560 hundredths per cent of the amounts received by the state from the tax
561 imposed under subparagraph (A) of this subdivision, and one and
562 forty-three-hundredths per cent of the amounts received by the state
563 from the tax imposed under subparagraph (H) of this subdivision;
564 and]

565 [(K)] [(J) For calendar quarters ending on or after September 30, 2011,
566 the commissioner shall deposit into the regional performance incentive
567 account, established pursuant to section 4-66k, six and seven-tenths
568 per cent of the amounts received by the state from the tax imposed
569 under subparagraph (B) of this subdivision and ten and seven-tenths
570 per cent of the amounts received by the state from the tax imposed
571 under subparagraph (G) of this subdivision.

572 Sec. 9. Subdivision (1) of section 12-411 of the general statutes is
573 repealed and the following is substituted in lieu thereof (*Effective July*
574 *1, 2013*):

575 (A) An excise tax is hereby imposed on the storage, acceptance,
576 consumption or any other use in this state of tangible personal
577 property purchased from any retailer for storage, acceptance,

578 consumption or any other use in this state, the acceptance or receipt of
579 any services constituting a sale in accordance with subdivision (2) of
580 subsection (a) of section 12-407, purchased from any retailer for
581 consumption or use in this state, or the storage, acceptance,
582 consumption or any other use in this state of tangible personal
583 property which has been manufactured, fabricated, assembled or
584 processed from materials by a person, either within or without this
585 state, for storage, acceptance, consumption or any other use by such
586 person in this state, to be measured by the sales price of materials, at
587 the rate of six and thirty-five-hundredths per cent of the sales price of
588 such property or services, except, in lieu of said rate of six and thirty-
589 five-hundredths per cent;

590 (B) At a rate of fifteen per cent of the rent paid for occupancy of any
591 room or rooms in a hotel or lodging house for the first period of not
592 exceeding thirty consecutive calendar days;

593 (C) With respect to the storage, acceptance, consumption or use in
594 this state of a motor vehicle purchased from any retailer for storage,
595 acceptance, consumption or use in this state by any individual who is a
596 member of the armed forces of the United States and is on full-time
597 active duty in Connecticut and who is considered, under 50 App USC
598 574, a resident of another state, or to any such individual and the
599 spouse of such individual at a rate of four and one-half per cent of the
600 sales price of such vehicle, provided such retailer requires and
601 maintains a declaration by such individual, prescribed as to form by
602 the commissioner and bearing notice to the effect that false statements
603 made in such declaration are punishable, or other evidence,
604 satisfactory to the commissioner, concerning the purchaser's state of
605 residence under 50 App USC 574;

606 (D) With respect to the acceptance or receipt in this state of labor
607 that is otherwise taxable under subparagraph (C) or (G) of subdivision
608 (2) of subsection (a) of section 12-407 on existing vessels and repair or
609 maintenance services on vessels occurring on and after July 1, 1999,

610 such services shall be exempt from such tax;

611 (E) With respect to the acceptance or receipt in this state of
612 computer and data processing services purchased from any retailer for
613 consumption or use in this state occurring on or after July 1, 1997, and
614 prior to July 1, 1998, at the rate of five per cent of such services, on or
615 after July 1, 1998, and prior to July 1, 1999, at the rate of four per cent of
616 such services, on or after July 1, 1999, and prior to July 1, 2000, at the
617 rate of three per cent of such services, on or after July 1, 2000, and prior
618 to July 1, 2001, at the rate of two per cent of such services, on and after
619 July 1, 2001, at the rate of one per cent of such services, and (ii) with
620 respect to the acceptance or receipt in this state of Internet access
621 services, on or after July 1, 2001, such services shall be exempt from
622 tax;

623 (F) With respect to the acceptance or receipt in this state of patient
624 care services purchased from any retailer for consumption or use in
625 this state for which payment is received by the hospital on or after July
626 1, 1999, and prior to July 1, 2001, at the rate of five and three-fourths
627 per cent and on and after July 1, 2001, such services shall be exempt
628 from such tax;

629 (G) With respect to the rental or leasing of a passenger motor
630 vehicle for a period of thirty consecutive calendar days or less, at a rate
631 of nine and thirty-five-hundredths per cent;

632 (H) With respect to the sale of (i) a motor vehicle for a sales price
633 exceeding fifty thousand dollars, at a rate of seven per cent on the
634 entire purchase price, (ii) a vessel for a sales price exceeding one
635 hundred thousand dollars, at a rate of seven per cent on the entire
636 purchase price, (iii) jewelry, whether real or imitation, for a sales price
637 exceeding five thousand dollars, at a rate of seven per cent on the
638 entire purchase price, and (iv) an article of clothing or footwear
639 intended to be worn on or about the human body, a handbag, luggage,
640 umbrella, wallet or watch for a sales price exceeding one thousand

641 dollars, at a rate of seven per cent on the entire purchase price. For
642 purposes of this subparagraph, "motor vehicle" shall have the meaning
643 provided in section 14-1, but shall not include a motor vehicle subject
644 to the provisions of subparagraph (C) of this subdivision, a motor
645 vehicle having a gross vehicle weight rating over twelve thousand five
646 hundred pounds, or a motor vehicle having a gross vehicle weight
647 rating of twelve thousand five hundred pounds or less that is not used
648 for private passenger purposes, but is designed or used to transport
649 merchandise, freight or persons in connection with any business
650 enterprise and issued a commercial registration or more specific type
651 of registration by the Department of Motor Vehicles; and

652 [(I) For calendar quarters ending on or after September 30, 2011, the
653 commissioner shall deposit into the municipal revenue sharing
654 account, established pursuant to section 4-66l, one and fifty-seven-
655 hundredths per cent of the amounts received by the state from the tax
656 imposed under subparagraph (A) of this subdivision, and one and
657 forty-three-hundredths of the amounts received by the state from the
658 tax imposed under subparagraph (H) of this subdivision; and]

659 [(J)] [(I) For calendar quarters ending on or after September 30, 2011,
660 the commissioner shall deposit into the regional performance incentive
661 account, established pursuant to section 4-66k, six and seven-tenths
662 per cent of the amounts received by the state from the tax imposed
663 under subparagraph (B) of this subdivision and ten and seven-tenths
664 per cent of the amounts received by the state from the tax imposed
665 under subparagraph (G) of this subdivision.

666 Sec. 10. Section 12-412 of the general statutes is amended by adding
667 subdivision (119) as follows (*Effective July 1, 2013*):

668 (NEW) (119) (A) On and after July 1, 2014, and prior to July 1, 2015,
669 sales of any article of clothing or footwear intended to be worn on or
670 about the human body, the cost of which to the purchaser is less than
671 twenty-five dollars.

672 (B) On and after July 1, 2015, sales of any article of clothing or
673 footwear intended to be worn on or about the human body, the cost of
674 which to the purchaser is less than fifty dollars.

675 (C) For purposes of this subdivision, clothing or footwear shall not
676 include (i) any special clothing or footwear primarily designed for
677 athletic activity or protective use that is not normally worn except
678 when used for the athletic activity or protective use for which it was
679 designed, and (ii) jewelry, handbags, luggage, umbrellas, wallets,
680 watches and similar items carried on or about the human body but not
681 worn on the body in the manner characteristic of clothing intended for
682 exemption under this subdivision.

683 Sec. 11. Section 12-704e of the general statutes is repealed and the
684 following is substituted in lieu thereof (*Effective from passage and*
685 *applicable to taxable years commencing on or after January 1, 2013*):

686 (a) Any resident of this state, as defined in subdivision (1) of
687 subsection (a) of section 12-701, who is subject to the tax imposed
688 under this chapter for any taxable year shall be allowed a credit
689 against the tax otherwise due under this chapter in an amount equal to
690 [thirty per cent] the applicable percentage, as defined in subsection (e)
691 of this section, of the earned income credit claimed and allowed for the
692 same taxable year under Section 32 of the Internal Revenue Code, as
693 defined in subsection (a) of section 12-701.

694 (b) If the amount of the credit allowed pursuant to this section
695 exceeds the taxpayer's liability for the tax imposed under this chapter,
696 the Commissioner of Revenue Services shall treat such excess as an
697 overpayment and, except as provided under section 12-739 or 12-742,
698 shall refund the amount of such excess, without interest, to the
699 taxpayer.

700 (c) If a married individual who is otherwise eligible for the credit
701 allowed hereunder has filed a joint federal income tax return for the
702 taxable year, but is required to file a separate return under this chapter

703 for such taxable year, the credit for which such individual is eligible
704 under this section shall be an amount equal to [thirty per cent] the
705 applicable percentage, as defined in subsection (e) of this section, of
706 the earned income credit claimed and allowed for such taxable year
707 under said Section 32 of the Internal Revenue Code multiplied by a
708 fraction, the numerator of which is such individual's federal adjusted
709 gross income, as reported on such individual's separate return under
710 this chapter, and the denominator of which is the federal adjusted
711 gross income, as reported on the joint federal income tax return.

712 (d) To the extent permitted under federal law, any state or federal
713 earned income tax credit shall not be counted as income when received
714 by an individual who is an applicant for, or recipient of, benefits or
715 services under any state or federal program that provides such benefits
716 or services based on need, nor shall any such earned income tax credit
717 be counted as resources, for the purpose of determining the
718 individual's or any other individual's eligibility for such benefits or
719 services, or the amount of such benefits or services.

720 (e) For purposes of this section, "applicable percentage" means thirty
721 per cent, except (1) for the taxable year commencing on January 1,
722 2013, the applicable percentage is twenty-five per cent, and (2) for the
723 taxable year commencing on January 1, 2014, the applicable percentage
724 is twenty-seven and one-half per cent.

725 Sec. 12. Section 13b-61a of the general statutes is repealed and the
726 following is substituted in lieu thereof (*Effective July 1, 2013*):

727 (a) Notwithstanding the provisions of subsection (a) of section 13b-
728 61: (1) For calendar quarters ending on or after September 30, 1998,
729 and prior to September 30, 1999, the Commissioner of Revenue
730 Services shall deposit into the Special Transportation Fund established
731 under section 13b-68 five million dollars of the amount of funds
732 received by the state from the tax imposed under section 12-587 on the
733 gross earnings from the sales of petroleum products attributable to

734 sales of motor vehicle fuel; (2) for calendar quarters ending September
735 30, 1999, and prior to September 30, 2000, the commissioner shall
736 deposit into the Special Transportation Fund nine million dollars of the
737 amount of such funds received by the state from the tax imposed
738 under said section 12-587 on the gross earnings from the sales of
739 petroleum products attributable to sales of motor vehicle fuel; (3) for
740 calendar quarters ending September 30, 2000, and prior to September
741 30, 2002, the commissioner shall deposit into the Special
742 Transportation Fund eleven million five hundred thousand dollars of
743 the amount of such funds received by the state from the tax imposed
744 under said section 12-587 on the gross earnings from the sales of
745 petroleum products attributable to sales of motor vehicle fuel; (4) for
746 the calendar quarters ending September 30, 2002, and prior to
747 September 30, 2003, the commissioner shall deposit into the Special
748 Transportation Fund, five million dollars of the amount of such funds
749 received by the state from the tax imposed under said section 12-587
750 on the gross earnings from the sales of petroleum products attributable
751 to sales of motor vehicle fuel; (5) for the calendar quarter ending
752 September 30, 2003, and prior to September 30, 2005, the commissioner
753 shall deposit into the Special Transportation Fund, five million two
754 hundred fifty thousand dollars of the amount of such funds received
755 by the state from the tax imposed under said section 12-587 on the
756 gross earnings from the sales of petroleum products attributable to
757 sales of motor vehicle fuel; and (6) for the calendar quarters ending
758 September 30, 2005, and prior to September 30, 2006, the commissioner
759 shall deposit into the Special Transportation Fund ten million eight
760 hundred seventy-five thousand dollars of the amount of such funds
761 received by the state from the tax imposed under said section 12-587
762 on the gross earnings from the sales of petroleum products attributable
763 to sales of motor vehicle fuel.

764 (b) Notwithstanding the provisions of subsection (a) of section 13b-
765 61, for calendar quarters ending on or after September 30, 2006, the
766 Comptroller shall deposit into the Special Transportation Fund an

767 annual amount in accordance with the following schedule, from such
 768 funds received by the state from the tax imposed under said section 12-
 769 587 on the gross earnings from the sales of petroleum products. Such
 770 transfers shall be made in quarterly installments.

T1	Fiscal Year	Annual Transfer
T2		
T3	2007	\$141,000,000
T4	2008	\$127,800,000
T5	2009	\$141,900,000
T6	2010	\$141,900,000
T7	2011	\$165,300,000
T8	2012	\$226,900,000
T9	2013	\$199,400,000
T10	2014	[\$222,700,000] <u>\$380,700,000</u>
T11	2015	[\$226,800,000] <u>\$379,100,000</u>
T12	2016 and thereafter	[\$231,400,000] <u>\$377,300,000</u>

771 (c) If in any calendar quarter ending on or after September 30, 2006,
 772 receipts from the tax imposed under section 12-587 are less than
 773 twenty-five per cent of the total of (1) the amount required to be
 774 transferred pursuant to the Special Transportation Fund pursuant to
 775 subsections (a) and (b) of this section, and (2) any other transfers
 776 required by law, the Comptroller shall certify to the Treasurer the
 777 amount of such shortfall and shall forthwith transfer an amount equal
 778 to such shortfall from the resources of the General Fund into the
 779 Special Transportation Fund.

780 (d) The Commissioner of Revenue Services shall, on or before
 781 January 1, 2013, and on or before the first day of January biennially
 782 thereafter, calculate the amount of tax paid pursuant to section 12-587
 783 on gasoline sold for the prior fiscal year as a percentage of total tax
 784 collected under said section. Such percentage shall become the basis
 785 for determining the transfers to be made under subsection (b) of this

786 section. The commissioner shall notify the chairpersons and ranking
787 members of the joint standing committee of the General Assembly
788 having cognizance of matters relating to finance, revenue and bonding,
789 and the Secretary of the Office of Policy and Management of such
790 percentage calculation.

791 Sec. 13. Section 13b-61c of the general statutes is repealed and the
792 following is substituted in lieu thereof (*Effective July 1, 2013*):

793 (a) For the fiscal year ending June 30, 2010, the Comptroller shall
794 transfer the sum of seventy-one million two hundred thousand dollars
795 from the resources of the General Fund to the Special Transportation
796 Fund.

797 (b) For the fiscal year ending June 30, 2011, the Comptroller shall
798 transfer the sum of one hundred seven million five hundred fifty
799 thousand dollars from the resources of the General Fund to the Special
800 Transportation Fund.

801 (c) For the fiscal year ending June 30, 2012, the Comptroller shall
802 transfer the sum of eighty-one million five hundred fifty thousand
803 dollars from the resources of the General Fund to the Special
804 Transportation Fund.

805 (d) For the fiscal year ending June 30, 2013, the Comptroller shall
806 transfer the sum of ninety-five million two hundred forty-five
807 thousand dollars from the resources of the General Fund to the Special
808 Transportation Fund.

809 (e) For the fiscal year ending June 30, [2014, and annually thereafter]
810 2015, the Comptroller shall transfer the sum of [one hundred seventy-
811 two million eight hundred thousand] twenty million five hundred
812 thousand dollars from the resources of the General Fund to the Special
813 Transportation Fund.

814 (f) For the fiscal year ending June 30, 2016, the Comptroller shall

815 transfer the sum of one hundred fifty-two million eight hundred
816 thousand dollars from the resources of the General Fund to the Special
817 Transportation Fund.

818 (g) For the fiscal year ending June 30, 2017, and annually thereafter,
819 the Comptroller shall transfer the sum of one hundred sixty-two
820 million eight hundred thousand dollars from the resources of the
821 General Fund to the Special Transportation Fund.

822 Sec. 14. Subdivision (1) of subsection (i) of section 32-9t of the
823 general statutes is repealed and the following is substituted in lieu
824 thereof (*Effective January 1, 2014*):

825 (i) (1) There shall be allowed as a credit against the tax imposed
826 under chapters 207 to 212a, inclusive, or section 38a-743, or a
827 combination of said taxes, an amount equal to the following
828 percentage of approved investments made by or on behalf of a
829 taxpayer with respect to the following income years of the taxpayer:
830 (A) With respect to the income year in which the investment in the
831 eligible project was made and the two next succeeding income years,
832 zero per cent; (B) with respect to the third full income year succeeding
833 the year in which the investment in the eligible project was made and
834 the three next succeeding income years, ten per cent; (C) with respect
835 to the seventh full income year succeeding the year in which the
836 investment in the eligible project was made and the next two
837 succeeding years, twenty per cent. The sum of all tax credits granted
838 pursuant to the provisions of this section shall not exceed one hundred
839 million dollars with respect to a single eligible urban reinvestment
840 project or a single eligible industrial site investment project approved
841 by the commissioner. The sum of all tax credits granted pursuant to
842 the provisions of this section shall not exceed [six hundred fifty
843 million] eight hundred million dollars.

844 Sec. 15. Subsection (b) of section 12-71 of the general statutes is
845 repealed and the following is substituted in lieu thereof (*Effective July*

846 1, 2013, and applicable to assessment years commencing on or after October
847 1, 2013):

848 (b) Except as otherwise provided by the general statutes, property
849 subject to this section shall be valued at the same percentage of its then
850 actual valuation as the assessors have determined with respect to the
851 listing of real estate for the same year. [except that any antique, rare
852 or special interest motor vehicle, as defined in section 14-1, shall be
853 assessed at a value of not more than five hundred dollars. The owner
854 of such antique, rare or special interest motor vehicle may be required
855 by the assessors to provide reasonable documentation that such motor
856 vehicle is an antique, rare or special interest motor vehicle, provided
857 any motor vehicle for which special number plates have been issued
858 pursuant to section 14-20 shall not be required to provide any such
859 documentation.] The provisions of this section shall not include money
860 or property actually invested in merchandise or manufacturing carried
861 on out of this state or machinery or equipment which would be eligible
862 for exemption under subdivision (72) or (76) of section 12-81 once
863 installed and which cannot begin or which has not begun
864 manufacturing, processing or fabricating; or which is being used for
865 research and development, including experimental or laboratory
866 research and development, design or engineering directly related to
867 manufacturing or being used for the significant servicing, overhauling
868 or rebuilding of machinery and equipment for industrial use or the
869 significant overhauling or rebuilding of other products on a factory
870 basis or being used for measuring or testing or metal finishing or in the
871 production of motion pictures, video and sound recordings.

872 Sec. 16. Section 12-81 of the general statutes is amended by adding
873 subdivision (78) as follows (*Effective from passage and applicable to*
874 *assessment years commencing on or after October 1, 2013*):

875 (NEW) (78) (A) An eligible vehicle belonging to any person who is
876 an owner or a lessee of such eligible vehicle, provided this exemption
877 shall apply to the net assessed value of such eligible vehicle up to a

878 maximum value of twenty thousand dollars.

879 (B) Notwithstanding the provisions of section 12-62, in order to
880 implement the provisions of this subdivision, any town scheduled to
881 implement a revaluation on October 1, 2014, or October 1, 2015, may
882 advance such revaluation to October 1, 2013, and proceed on the
883 schedule provided in section 12-62 thereafter.

884 (C) For purposes of this subdivision, "eligible vehicle" means a car,
885 light duty truck, pick-up truck or motorcycle identified on a list the
886 Commissioner of Motor Vehicles provides to the assessor of each
887 town, pursuant to section 14-163; "lessee" means a person who leases
888 an eligible vehicle for a period of not less than one year, from a lessor
889 who is a licensee, under section 14-15, pursuant to a written lease
890 agreement that assigns responsibility for the payment of any property
891 tax for the eligible vehicle to such lessee, regardless of whether a
892 charge for such tax is separately stated in said agreement, or on a bill
893 or invoice that may be rendered to the lessee by either a taxing
894 jurisdiction or the lessor; "net assessed value" means the valuation of
895 an eligible vehicle for purposes of assessment, less the total of all
896 property tax exemption for which the owner of such eligible vehicle
897 qualifies; and "person" means a natural person.

898 Sec. 17. (*Effective from passage and applicable to the assessment year*
899 *commencing on October 1, 2012*) (a) For purposes of this section, "eligible
900 vehicle" means a car, light duty truck, pick-up truck or motorcycle
901 identified on a list the Commissioner of Motor Vehicles provides to the
902 assessor of each town, pursuant to section 14-163 of the general
903 statutes, and "lessee" means a person who leases an eligible vehicle for
904 a period of not less than one year, from a lessor who is a licensee,
905 under section 14-15 of the general statutes, pursuant to a written lease
906 agreement that assigns responsibility for the payment of any property
907 tax for the eligible vehicle to such lessee, regardless of whether a
908 charge for such tax is separately stated in said agreement, or on a bill
909 or invoice that may be rendered to the lessee by either a taxing

910 jurisdiction or the lessor; "net assessed value" means the valuation of
911 an eligible vehicle for purposes of assessment, less the total of all
912 property tax exemption for which the owner of such eligible vehicle
913 qualifies; and "person" means a natural person.

914 (b) A municipality may, by vote of its legislative body, or, in a
915 municipality where the legislative body is a town meeting, by vote of
916 the board of selectmen, abate up to one hundred per cent of the
917 property taxes due from a person who is the owner or lessee of an
918 eligible vehicle for the assessment year commencing October 1, 2012,
919 with respect to the net assessed value of such eligible vehicle up to a
920 maximum value of twenty thousand dollars. Notwithstanding any
921 provision of the general statutes, any special act or any municipal
922 charter, any municipality adopting the provisions of this section shall
923 finalize its amended grand list of October 1, 2012, not later than May 1,
924 2013, and shall set its mill rate not later than June 1, 2013.

925 Sec. 18. (NEW) (*Effective July 1, 2013*) (a) For purposes of this section:

926 (1) "Gas company" means a gas company, as defined in section 16-1
927 of the general statutes;

928 (2) "Person" has the same meaning as in section 12-1 of the general
929 statutes;

930 (3) "Comprehensive energy plan" means the comprehensive energy
931 plan described in section 16a-3d of the general statutes; and

932 (4) "Eligible customer" means a person (A) whose premises (i) as of
933 July 1, 2013, are not located on or within one hundred fifty feet of a gas
934 distribution main, and (ii) are included in the natural gas expansion
935 plan prepared by a gas company and approved by the Department of
936 Energy and Environmental Protection pursuant to the comprehensive
937 energy plan, and (B) who has made a commitment, on or after July 1,
938 2013, and prior to January 1, 2014, to a gas company to convert to
939 natural gas when natural gas is available.

940 (b) There shall be allowed a credit to a gas company against the tax
941 imposed under chapter 212 of the general statutes, for calendar
942 quarters commencing on and after July 1, 2014. Such credit shall be in
943 an amount equal to the amount credited by a gas company to an
944 eligible customer that makes a commitment to convert to natural gas.
945 In no event shall the total amount credited by such gas company to an
946 eligible customer exceed five hundred dollars, and no credits shall be
947 allowed by such gas company to eligible customers until calendar
948 quarters commencing on or after October 1, 2013.

949 (c) To claim a credit under this section, a gas company shall
950 establish, to the satisfaction of the Commissioner of Revenue Services,
951 that it granted to each eligible customer on such customer's monthly
952 bill or invoice an amount equal to the credit claimed by such gas
953 company.

954 (d) The total amount of credits granted under this section shall not
955 exceed five million dollars in each fiscal year, commencing with the
956 fiscal year ending June 30, 2015.

957 Sec. 19. (NEW) (*Effective from passage*) (a) Residential customers and
958 small commercial customers, as each is defined in subsection (k) of
959 section 16-244c of the general statutes, who, as of June 1, 2013, are
960 receiving the standard offer and have not contracted with a
961 participating electric supplier, shall be aggregated by the state for the
962 purpose of auctioning the right to provide competitively-priced
963 electric generation service to such customers by electric suppliers
964 licensed in the state pursuant to section 16-245 of the general statutes.

965 (b) The procurement manager of the Public Utilities Regulatory
966 Authority shall issue a request for proposals to all electric suppliers
967 licensed in the state for a bid to provide a full service contract to blocks
968 of residential customers and small commercial customers on the
969 standard offer at a price that is not less than five per cent below the
970 standard offer rate for such customer class as of April 1, 2013, for a

971 period of not less than one year from the date such service commences.
972 The procurement manager shall establish the criteria for selection of
973 the successful proposers for competitive electric supplier and shall
974 publish the notice of the request for proposals to each electric supplier
975 licensed in this state as of the date of the issuance of the request for
976 proposals.

977 (c) (1) The responses to the request for proposal shall include the
978 price per customer such electric supplier will offer for the right to
979 supply electricity to customer blocks of not less than one hundred
980 thousand and the price per customer for each additional increment of
981 not less than ten thousand additional customers;

982 (2) The proposed term offered by such electric supplier shall be for a
983 term of not less than three years and shall lock in the rate set forth in
984 subsection (b) of this section for a period of not less than twelve
985 months from the commencement of service and shall include a
986 schedule for price determination for the subsequent two-year period;
987 and

988 (3) The price per customer shall be expressed in cost per kilowatt
989 hour and may include different rates for different customer classes and
990 levels of usage.

991 (d) The electric distribution companies supplying residential
992 customers and small commercial customers on the standard offer shall
993 provide to the procurement manager such relevant data as requested
994 by the procurement manager for purposes of developing the request
995 for proposals, including, but not limited to, the average per customer
996 usage in each such customer class for the previous twelve-month
997 period, the number of such customers who are delinquent, have
998 defaulted or are in collections, and the net average number of such
999 customers who moved off of the standard offer in the preceding
1000 twelve-month period.

1001 (e) Nothing in this section shall prohibit a residential customer or

1002 small business customer who has been aggregated and auctioned to an
1003 electric supplier from choosing to obtain service from any other
1004 licensed electric supplier at any time.

1005 (f) The procurement manager shall issue a request for proposals on
1006 or before July 1, 2013, and at subsequent intervals of not less than three
1007 years or when the number of new residential customers and small
1008 commercial customers on the standard offer and not served by a
1009 competitive electric supplier reaches a threshold of ten thousand
1010 customers.

1011 (g) The electric supplier or suppliers awarded a competitive supply
1012 contract as a result of the request for proposals issued pursuant to this
1013 section shall remit the amount accepted as its per customer bid to the
1014 state for deposit into the General Fund not later than thirty days after
1015 the date of the award.

1016 (h) In accordance with the provisions of section 16-244m of the
1017 general statutes, an electric distribution company shall continue to
1018 provide service to (1) any residential customer or small commercial
1019 customer not transferred to a competitive electric supplier as a result of
1020 the auction process provided for in this section, or (2) any new
1021 residential customer or small commercial customer that does not select
1022 a competitive electric supplier.

1023 (i) The procurement manager may require an electric supplier to
1024 provide forms of assurance that the contracts resulting from the
1025 auction process will be fulfilled. An electric supplier that fails to fulfill
1026 its contractual obligations pursuant to an award in accordance with
1027 this section shall be subject to civil penalties, in accordance with the
1028 provisions of section 16-41 of the general statutes, or the suspension or
1029 revocation of such electric supplier's license, or a prohibition on the
1030 acceptance of new customers by such electric supplier, following a
1031 hearing that is conducted as a contested case, as provided in chapter 54
1032 of the general statutes.

1033 Sec. 20. Subsections (a) and (b) of section 3-55j of the general statutes
1034 are repealed and the following is substituted in lieu thereof (*Effective*
1035 *July 1, 2013*):

1036 (a) Twenty million dollars of the moneys available in the
1037 Mashantucket Pequot and Mohegan Fund established by section 3-55i
1038 shall be paid to municipalities eligible for a state grant in lieu of taxes
1039 pursuant to section 12-19a of the general statutes, revision of 1958,
1040 revised to January 1, 2011, in addition to the grants payable to such
1041 municipalities pursuant to said section 12-19a, subject to the provisions
1042 of subsection (b) of this section. Such grant shall be calculated under
1043 the provisions of said section 12-19a and shall equal one-third of the
1044 additional amount which such municipalities would be eligible to
1045 receive if the total amount available for distribution were eighty-five
1046 million two hundred five thousand eighty-five dollars and the
1047 percentage of reimbursement set forth in said section 12-19a were
1048 increased to reflect such amount. Any eligible special services district
1049 shall receive a portion of the grant payable under this subsection to the
1050 town in which such district is located. The portion payable to any such
1051 district under this subsection shall be the amount of the grant to the
1052 town under this subsection which results from application of the
1053 district mill rate to exempt property in the district. As used in this
1054 subsection and subsection (c) of this section, "eligible special services
1055 district" means any special services district created by a town charter,
1056 having its own governing body and for the assessment year
1057 commencing October 1, 1996, containing fifty per cent or more of the
1058 value of total taxable property within the town in which such district is
1059 located.

1060 (b) No municipality shall receive a grant pursuant to subsection (a)
1061 of this section which, when added to the amount of the grant payable
1062 to such municipality pursuant to said section 12-19a, would exceed one
1063 hundred per cent of the property taxes which would have been paid
1064 with respect to all state-owned real property, except for the exemption
1065 applicable to such property, on the assessment list in such

1066 municipality for the assessment date two years prior to the
1067 commencement of the state fiscal year in which such grants are
1068 payable, except that, notwithstanding the provisions of said subsection
1069 (a), no municipality shall receive a grant pursuant to said subsection
1070 which is less than one thousand six hundred sixty-seven dollars.

1071 Sec. 21. Section 3-55j of the general statutes is amended by adding
1072 subsection (l) as follows (*Effective July 1, 2013*):

1073 (NEW) (l) Notwithstanding the provisions of subsections (a) to (k),
1074 inclusive, of this section, no municipality shall receive a grant under
1075 this section in the fiscal year ending June 30, 2014, or the fiscal year
1076 ending June 30, 2015.

1077 Sec. 22. Subsection (g) of section 4b-38 of the general statutes is
1078 repealed and the following is substituted in lieu thereof (*Effective July*
1079 *1, 2013*):

1080 (g) Notwithstanding the provisions of this section, the board of
1081 trustees of a constituent unit of the state system of higher education
1082 may lease land or buildings, or both, and facilities under the control
1083 and supervision of such board when such land, buildings or facilities
1084 are otherwise not used or needed for use by the constituent unit and
1085 such action seems desirable to produce income or is otherwise in the
1086 public interest, provided the Treasurer has determined that such action
1087 will not affect the status of any tax-exempt obligations issued or to be
1088 issued by the state of Connecticut. Upon executing any such lease, said
1089 board shall forward a copy to the assessor or board of assessors of the
1090 municipality in which the leased property is located. The proceeds
1091 from any lease or rental agreement pursuant to this subsection shall be
1092 retained by the constituent unit. Any land so leased for private use and
1093 the buildings and appurtenances thereon shall be subject to local
1094 assessment and taxation annually in the name of the lessee, assignee or
1095 sublessee, whichever has immediate right to occupancy of such land or
1096 building, by the town wherein situated as of the assessment day of

1097 such town next following the date of leasing. [Such land and the
1098 buildings and appurtenances thereon shall not be included as property
1099 of the constituent unit for the purpose of computing a grant in lieu of
1100 taxes pursuant to section 12-19a provided, if such property is leased to
1101 an organization which, if the property were owned by or held in trust
1102 for such organization would not be liable for taxes with respect to such
1103 property under section 12-81, such organization shall be entitled to
1104 exemption from property taxes as the lessee under such lease, and the
1105 portion of such property exempted and leased to such organization
1106 shall be eligible for a grant in lieu of taxes pursuant to said section 12-
1107 19a.]

1108 Sec. 23. Section 4b-39 of the general statutes is repealed and the
1109 following is substituted in lieu thereof (*Effective July 1, 2013*):

1110 Land, buildings or facilities leased pursuant to section 4b-35 and
1111 section 4b-36 shall be exempt from municipal taxation. [The value of
1112 such land, buildings or facilities shall be used for computation of
1113 grants in lieu of taxes pursuant to section 12-19a.]

1114 Sec. 24. Section 4b-46 of the general statutes is repealed and the
1115 following is substituted in lieu thereof (*Effective July 1, 2013*):

1116 On and after July 1, 1995, any property which is subject to an
1117 agreement entered into by the Commissioner of Administrative
1118 Services for the purchase of such property through a long-term
1119 financing contract shall be exempt from taxation by the municipality in
1120 which such property is located, during the term of such contract. [The
1121 assessed valuation of such property shall be included with the
1122 assessed valuation of state-owned land and buildings for purposes of
1123 determining the state grant in lieu of taxes under the provisions of
1124 section 12-19a.]

1125 Sec. 25. Section 10a-90 of the general statutes is repealed and the
1126 following is substituted in lieu thereof (*Effective July 1, 2013*):

1127 The Board of Trustees for the Connecticut State University System,
1128 with the approval of the Governor and the Secretary of the Office of
1129 Policy and Management, may lease state-owned land under its care,
1130 custody or control to private developers for construction of dormitory
1131 buildings, provided such developers agree to lease such buildings to
1132 such board of trustees with an option to purchase and provided
1133 further that any such agreement to lease is subject to the provisions of
1134 section 4b-23, prior to the making of the original lease by the board of
1135 trustees. The plans for such buildings shall be subject to approval of
1136 such board, the Commissioner of Construction Services and the State
1137 Properties Review Board and such leases shall be for the periods and
1138 upon such terms and conditions as the Commissioner of
1139 Administrative Services determines, and such buildings, while
1140 privately owned, shall be subject to taxation by the town in which they
1141 are located. The Board of Trustees for the Connecticut State University
1142 System may also deed, transfer or lease state-owned land under its
1143 care, custody or control to the State of Connecticut Health and
1144 Educational Facilities Authority for financing or refinancing the
1145 planning, development, acquisition and construction and equipping of
1146 dormitory buildings and student housing facilities and to lease or
1147 sublease such dormitory buildings or student housing facilities and
1148 authorize the execution of financing leases of land, interests therein,
1149 buildings and fixtures in order to secure obligations to repay any loan
1150 from the State of Connecticut Health and Educational Facilities
1151 Authority from the proceeds of bonds issued thereby pursuant to the
1152 provisions of chapter 187 made by the authority to finance or refinance
1153 the planning, development, acquisition and construction of dormitory
1154 buildings. Any such financing lease shall not be subject to the
1155 provisions of section 4b-23 and the plans for such dormitories shall be
1156 subject only to the approval of the board. Such financing leases shall be
1157 for such periods and upon such terms and conditions that the board
1158 shall determine. Any state property so leased shall not be subject to
1159 local assessment and taxation. [and such state property shall be
1160 included as property of the Connecticut State University System for

1161 the purpose of computing a grant in lieu of taxes pursuant to section
1162 12-19a.]

1163 Sec. 26. Subsection (b) of section 10a-91 of the general statutes is
1164 repealed and the following is substituted in lieu thereof (*Effective July*
1165 *1, 2013*):

1166 (b) Any land so leased to a private developer for rental housing or
1167 commercial establishments and the buildings and appurtenances
1168 thereon shall be subject to local assessment and taxation annually in
1169 the name of the lessee, assignee or sublessee, whichever has immediate
1170 right to occupancy of such land or building, by the town wherein
1171 situated as of the assessment day of such town next following the date
1172 of leasing. [Such land shall not be included as property of the
1173 Connecticut State University System for the purpose of computing a
1174 grant in lieu of taxes pursuant to section 12-19a.]

1175 Sec. 27. Section 12-62m of the general statutes is repealed and the
1176 following is substituted in lieu thereof (*Effective July 1, 2013*):

1177 (a) If real property eligible for a grant or for reimbursement of a
1178 property tax or a portion thereof under the provisions of sections [12-
1179 19a,] 12-20b and 12-129p, or any other provision of the general statutes,
1180 is located in a town that (1) elected to phase in assessment increases
1181 pursuant to section 12-62a of the general statutes, revision of 1958,
1182 revised to January 1, 2005, with respect to a revaluation effective on or
1183 before October 1, 2005, or (2) elects to phase in assessment increases
1184 pursuant to section 12-62c with respect to a revaluation effective on or
1185 after October 1, 2006, the assessed valuation of said property as
1186 reported to the Secretary of the Office of Policy and Management shall
1187 reflect the gradual increase in assessment applicable to comparable
1188 taxable real property for the same assessment year.

1189 (b) If the legislative body of a town elects to phase in real property
1190 assessment increases with respect to a revaluation effective on or after
1191 October 1, 2006, pursuant to section 12-62c, or pursuant to section 12-

1192 62a of the general statutes, revision of 1958, revised to January 1, 2005,
1193 with respect to a revaluation effective on or before October 1, 2005, the
1194 grand list furnished, pursuant to section 7-328, to the clerk of any
1195 district, as defined in section 7-324, shall reflect assessments based
1196 upon such phase-in for each assessment year during which such
1197 phase-in is effective.

1198 Sec. 28. Section 12-63h of the general statutes is repealed and the
1199 following is substituted in lieu thereof (*Effective July 1, 2013*):

1200 (a) The Secretary of the Office of Policy and Management shall
1201 establish a pilot program in a single municipality whereby the
1202 municipality selected shall develop a plan for implementation of land
1203 value taxation that (1) classifies real estate included in the taxable
1204 grand list as (A) land or land exclusive of buildings, or (B) buildings on
1205 land; and (2) establishes a different mill rate for property tax purposes
1206 for each class, provided the higher mill rate shall apply to land or land
1207 exclusive of buildings. The different mill rates for taxable real estate in
1208 each class shall not be applicable to any property for which a grant is
1209 payable under section [12-19a or] 12-20a.

1210 (b) To be eligible for the program a municipality shall (1) be a
1211 distressed municipality, as defined in subsection (b) of section 32-9p;
1212 (2) have a population of not more than twenty-six thousand; and (3)
1213 have a city manager and city council form of government. The
1214 secretary shall establish an application procedure and any other
1215 criteria for the program. The secretary shall not select a municipality
1216 for the pilot program unless the legislative body of the municipality
1217 has approved the application. The secretary shall send a notice of
1218 selection for the pilot program to the chief executive officer of the
1219 municipality.

1220 (c) After receipt of the notice of selection provided by the Secretary
1221 of the Office of Policy and Management pursuant to subsection (b) of
1222 this section, the chief executive officer of such municipality shall

1223 appoint a committee consisting of relevant taxpayers and stakeholders
1224 to prepare a plan for implementation of land value taxation. Such plan
1225 shall (1) provide a process for implementation of differentiated tax
1226 rates; (2) designate geographic areas of the municipality where the
1227 differentiated rates shall be applied; and (3) identify legal and
1228 administrative issues affecting the implementation of the plan. The
1229 chief executive officer, the assessor and the tax collector of the
1230 municipality shall have an opportunity to review and comment on the
1231 plan. On or before December 31, 2009, and upon approval of the plan
1232 by the legislative body, the plan shall be submitted to the joint
1233 standing committees of the General Assembly having cognizance of
1234 matters relating to planning and development and to finance, revenue
1235 and bonding.

1236 Sec. 29. Subsections (b) and (c) of section 12-64 of the general
1237 statutes are repealed and the following is substituted in lieu thereof
1238 (*Effective July 1, 2013*):

1239 (b) Except as provided in subsection (c) of this section, any land,
1240 buildings or easement to use air rights belonging to or held in trust for
1241 the state, not used for purposes attributable to functions of the state
1242 government or any other governmental purpose but leased to a person
1243 or organization for use unrelated to any such purpose, exclusive of any
1244 such lease with respect to which a binding agreement is in effect on
1245 June 25, 1985, shall be separately assessed in the name of the lessee and
1246 subject to local taxation annually in the name of the lessee having
1247 immediate right to occupancy of such land or building, by the town
1248 wherein situated as of the assessment day next following the date of
1249 leasing pursuant to section 4b-38, as amended by this act. If such
1250 property or any portion thereof is leased to any organization which, if
1251 the property were owned by or held in trust for such organization,
1252 would not be liable for taxes with respect to such property under any
1253 of the subdivisions of section 12-81, as amended by this act, such
1254 organization shall be entitled to exemption from property taxes as the
1255 lessee under such lease, provided such property is used exclusively for

1256 the purposes of such organization as stated in the applicable
1257 subdivision of said section 12-81, as amended by this act. [and the
1258 portion of such property so leased to such exempt organization shall
1259 be eligible for a grant in lieu of taxes pursuant to section 12-19a.
1260 Whenever the lessee of such property is required to pay property taxes
1261 to the town in which such property is situated as provided in this
1262 subsection, the assessed valuation of such property subject to the
1263 interest of the lessee shall not be included in the annual list of assessed
1264 values of state-owned real property in such town as prepared for
1265 purposes of state grants in accordance with said section 12-19a and the
1266 amount of grant to such town under said section 12-19a shall be
1267 determined without consideration of such assessed value.]

1268 (c) The provisions of subsection (b) of this section shall not be
1269 applicable to any land, building or easement belonging to or held in
1270 trust for the state of Connecticut at (1) Bradley International Airport or
1271 any other state-owned airport, and (2) any restaurant, gasoline station
1272 or other service facility or public convenience as may be deemed
1273 appropriate by the Commissioner of Transportation for state highway,
1274 mass transit, marine or aviation purposes. In the event a lessee of
1275 property, belonging to or held in trust for the state or a constituent unit
1276 of the state system of higher education, who is subject to taxation
1277 pursuant to the provisions of this subsection or pursuant to subsection
1278 (g) of section 4b-38 is delinquent in the payment of such tax, a
1279 municipal tax collector may enforce the collection of said tax by all
1280 legal means available, except for the filing of a lien on such property.

1281 Sec. 30. Subsection (c) of section 22-26jj of the general statutes is
1282 repealed and the following is substituted in lieu thereof (*Effective July*
1283 *1, 2013*):

1284 (c) The commissioner may lease all or part of one property acquired
1285 by him under this section as part of a demonstration project, in
1286 accordance with subsection (d) of this section, provided such project is
1287 approved by the Secretary of the Office of Policy and Management.

1288 Such property may be leased to one or more agricultural users for a
1289 period not to exceed five years. Such lease may be renewed for periods
1290 not to exceed five years. Any property leased under such
1291 demonstration project shall be exempt from taxation by the
1292 municipality in which the property is located. [The assessed valuation
1293 of the property shall be included with the assessed valuation of state-
1294 owned land and buildings for purposes of determining the state's
1295 grant in lieu of taxes under the provisions of section 12-19a.]

1296 Sec. 31. Section 22a-282 of the general statutes is repealed and the
1297 following is substituted in lieu thereof (*Effective July 1, 2013*):

1298 The Connecticut Resources Recovery Authority, notwithstanding
1299 the provisions of subsection (b) of section 22a-208a concerning the
1300 right of any local body to regulate, through zoning, land usage for
1301 solid waste disposal and section 22a-276, may use and operate as a
1302 solid waste disposal area, pursuant to a permit issued under sections
1303 22a-208, 22a-208a and 22a-430, any real property owned by said
1304 authority on or before May 11, 1984, any portion of which has been
1305 operated as a solid waste disposal area, and the authority shall not be
1306 subject to regulation by any such body, except that the authority shall
1307 pay to the municipality in which such property is located one dollar
1308 per ton of unprocessed solid waste received from outside of such
1309 municipality and disposed of at the solid waste disposal area by the
1310 authority. Any payment shall be in addition to any other agreement
1311 between the municipality and the authority. [The provisions of section
1312 12-19a shall not be construed to apply to any such real property.]

1313 Sec. 32. Section 23-30 of the general statutes is repealed and the
1314 following is substituted in lieu thereof (*Effective July 1, 2013*):

1315 The Commissioner of Energy and Environmental Protection may,
1316 for the purposes specified in section 23-29, lease, for a period of not
1317 less than ninety-nine years, any lands within the state, title to which
1318 has been acquired by the resettlement administration or other agency

1319 of the government of the United States, provided the form of such
1320 lease shall be approved by the Attorney General. Said commissioner
1321 may enter into cooperative agreements with any branch of the
1322 government of the United States regarding the custody, management
1323 and use of lands so leased. All lands leased under this section shall, for
1324 the purposes of taxation, be considered as owned by the state. [, and
1325 the towns in which such lands are situated shall receive from the state
1326 grants in lieu of taxes thereon, as provided in section 12-19a.]

1327 Sec. 33. Section 32-610 of the general statutes is repealed and the
1328 following is substituted in lieu thereof (*Effective July 1, 2013*):

1329 The exercise of the powers granted by section 32-602 constitute the
1330 performance of an essential governmental function and the Capital
1331 Region Development Authority shall not be required to pay any taxes
1332 or assessments upon or in respect of the convention center or the
1333 convention center project, as defined in section 32-600, levied by any
1334 municipality or political subdivision or special district having taxing
1335 powers of the state and such project and the principal and interest of
1336 any bonds and notes issued under the provisions of section 32-607,
1337 their transfer and the income therefrom, including revenues derived
1338 from the sale thereof, shall at all times be free from taxation of every
1339 kind by the state of Connecticut or under its authority, except for estate
1340 or succession taxes but the interest on such bonds and notes shall be
1341 included in the computation of any excise or franchise tax.
1342 [Notwithstanding the foregoing, the convention center and the related
1343 parking facilities owned by the authority shall be deemed to be state-
1344 owned real property for purposes of sections 12-19a and 12-19b and
1345 the state shall make grants in lieu of taxes with respect to the
1346 convention center and such related parking facilities to the
1347 municipality in which the convention center and such related parking
1348 facilities are located as otherwise provided in said sections 12-19a and
1349 12-19b.]

1350 Sec. 34. Section 32-666 of the general statutes is repealed and the

1351 following is substituted in lieu thereof (*Effective July 1, 2013*):

1352 [(a) Any land on the Adriaen's Landing site leased by the secretary
1353 for purposes of site acquisition for an initial term of at least ninety-nine
1354 years shall, while such lease remains in effect, be deemed to be state-
1355 owned real property for purposes of sections 12-19a and 12-19b and
1356 subdivision (2) of section 12-81 and the state shall make grants in lieu
1357 of taxes with respect to such land to the municipality in which the
1358 same is located as otherwise provided in sections 12-19a and 12-19b.

1359 (b) Any land that comprises a private development district
1360 designated pursuant to section 32-600 and all improvements on or to
1361 such land shall, while such designation continues, be deemed to be
1362 state-owned real property for purposes of sections 12-19a and 12-19b
1363 and subdivision (2) of section 12-81, and the state shall make grants in
1364 lieu of taxes with respect to such land and improvements to the
1365 municipality in which the same is located as otherwise provided in
1366 sections 12-19a and 12-19b. Section 32-666a shall not be applicable to
1367 any such land or improvements while designated as part of the private
1368 development district.]

1369 [(c)] For purposes of state insurance or self-insurance, the
1370 convention center facilities shall be deemed to be state-owned property
1371 and the state insurance and risk management board shall be
1372 authorized to determine, purchase or otherwise arrange for such
1373 insurance or self-insurance with respect to the convention center
1374 facilities, as otherwise provided in section 4a-20 with respect to other
1375 state-owned property.

1376 Sec. 35. Sections 4-66l, 12-19b, 12-19c, 12-19f, 12-494a and 15-101dd
1377 of the general statutes are repealed. (*Effective July 1, 2013*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2013	New section

Sec. 2	<i>from passage</i>	4-28e(c)
Sec. 3	<i>July 1, 2013</i>	12-19a
Sec. 4	<i>from passage and applicable to calendar years commencing on or after January 1, 2013</i>	12-211a(a)
Sec. 5	<i>from passage</i>	12-214(7)
Sec. 6	<i>from passage</i>	12-219(b)(7)
Sec. 7	<i>July 1, 2013 and applicable to calendar quarters commencing on or after said date</i>	12-268s
Sec. 8	<i>July 1, 2013</i>	12-408(1)
Sec. 9	<i>July 1, 2013</i>	12-411(1)
Sec. 10	<i>July 1, 2013</i>	12-412
Sec. 11	<i>from passage and applicable to taxable years commencing on or after January 1, 2013</i>	12-704e
Sec. 12	<i>July 1, 2013</i>	13b-61a
Sec. 13	<i>July 1, 2013</i>	13b-61c
Sec. 14	<i>January 1, 2014</i>	32-9t(i)(1)
Sec. 15	<i>July 1, 2013, and applicable to assessment years commencing on or after October 1, 2013</i>	12-71(b)
Sec. 16	<i>from passage and applicable to assessment years commencing on or after October 1, 2013</i>	12-81
Sec. 17	<i>from passage and applicable to the assessment year commencing on October 1, 2012</i>	New section
Sec. 18	<i>July 1, 2013</i>	New section
Sec. 19	<i>from passage</i>	New section
Sec. 20	<i>July 1, 2013</i>	3-55j(a) and (b)
Sec. 21	<i>July 1, 2013</i>	3-55j
Sec. 22	<i>July 1, 2013</i>	4b-38(g)
Sec. 23	<i>July 1, 2013</i>	4b-39

Sec. 24	<i>July 1, 2013</i>	4b-46
Sec. 25	<i>July 1, 2013</i>	10a-90
Sec. 26	<i>July 1, 2013</i>	10a-91(b)
Sec. 27	<i>July 1, 2013</i>	12-62m
Sec. 28	<i>July 1, 2013</i>	12-63h
Sec. 29	<i>July 1, 2013</i>	12-64(b) and (c)
Sec. 30	<i>July 1, 2013</i>	22-26jj(c)
Sec. 31	<i>July 1, 2013</i>	22a-282
Sec. 32	<i>July 1, 2013</i>	23-30
Sec. 33	<i>July 1, 2013</i>	32-610
Sec. 34	<i>July 1, 2013</i>	32-666
Sec. 35	<i>July 1, 2013</i>	Repealer section

Statement of Purpose:

To implement the provisions of the Governor's budget.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]